

Education and Workforce Development Cabinet

Kentucky's jobless rate drops to 10.7 percent in March

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Editor's Note: Preliminary March and revised February labor market information are included in this release.

FRANKFORT, Ky. — Kentucky's seasonally adjusted preliminary unemployment rate fell to 10.7 percent in March 2010 from a revised 10.9 percent in February 2010, according to the Office of Employment and Training (OET), an agency of the Kentucky Education and Workforce Development Cabinet.

March 2010's jobless rate is .6 percentage points higher than the 10.1 percent rate recorded in March 2009 for Kentucky. The 10.7 percent rate recorded in March 2010 matches the 10.7 percent rate in Kentucky in January 2010.

"Kentucky's economy showed some signs of stabilization in March 2010. However, the employment gains are inflated by employees at a major manufacturer returning to work after a temporary layoff and temporary hiring at a federal agency engaged in data collection efforts," said Dr. Justine Detzel, OET chief labor market analyst.

The U.S. seasonally adjusted jobless rate remained at 9.7 percent from February 2010 to March 2010, according to the U.S. Department of Labor.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working.

Seven of the 11 major nonfarm North American Industry Classification System (NAICS) job sectors reported an employment

increase in March 2010, while three decreased and one remained the same, according to OET. An increase of 7,700 jobs in March 2010 brought Kentucky's nonfarm employment to a seasonally adjusted total of 1,756,800. Since March 2009, Kentucky's nonfarm employment has plummeted by 21,400.

According to the seasonally adjusted employment data, Kentucky's trade, transportation and utilities sector jumped by 4,500 jobs in March 2010. This area includes retail and wholesale trade, transportation and warehousing businesses and utilities. It is the largest sector in Kentucky with 365,100 employees. Since March 2009, the number of jobs in this sector has increased by 800.

"This represents the second increase in employment in the trade, transportation and utilities sector in the last three months. The job gains are concentrated in the transportation, warehousing and utilities industry, which is a sign of the openings of an air transportation business and a warehouse, and an expansion at another warehouse," Detzel said.

Construction sector jobs surged by 2,000 in March 2010. Since March 2009, employment in the construction sector has fallen by 10,100 jobs.

"This marks the first month-to-month increase in the number of jobs in the construction sector since October 2009. Since March 2009, employment in this sector has plunged by 10,100 positions to 66,300, reflecting debility in specialty trade contractors and weakness in the residential construction industry," said Detzel.

The educational and health services sector added 1,700 jobs in March 2010. The sector had 4,000 more workers in March 2010 than March 2009. This sector includes private and nonprofit establishments that provide either education and training or health care and social assistance to their clients.

The government sector, which includes public education, public administration agencies and state-owned hospitals, rose by 1,200 jobs in March 2010. The sector has 2,500 more jobs compared to March 2009.

Kentucky's manufacturing sector jobs increased by 400 in March 2010. Compared to March 2009, jobs in the sector dropped by 12,100.

"Job gains in March 2010 are concentrated in the durable goods subsector, which is a sign of workers returning from a temporary shutdown at a major manufacturing plant, the opening of an automobile parts producer and expansions at a stove and fireplace manufacturer and a beverage dispensing products factory," said Detzel.

Employment in the mining and logging sector went up 200 jobs in March 2010. The sector has lost 1,900 workers since March 2009.

The state's professional and business services sector gained 200 positions in March 2010. This area has climbed 5,500 employees since March 2009. The professional and business services sector includes professional, scientific and technical services, management of companies and administrative support and waste management, including temporary help agencies.

Employment in the financial activities sector remained the same from February 2010 to March 2010. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, has fallen by 2,200 positions over the past 12 months.

Kentucky's leisure and hospitality sector lost 1,600 jobs in March 2010. Since March 2009, employment in the sector has decreased by 3,000 positions. The leisure and hospitality sector includes arts, entertainment and recreation, accommodations and food services and drinking places industries.

The other services sector, which includes such establishments as repair and maintenance businesses, personal and laundry services, religious organizations and civic and professional organizations, decreased by 800 positions in March 2010. This sector had 3,700 fewer positions in March 2010 than in March 2009.

The information sector had 100 fewer positions in March 2010. This segment, which includes firms involved in publishing, Internet

activities, data processing, broadcasting and news syndication, has decreased by 1,200 positions since March 2009.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for March 2010 was 1,858,745 on a seasonally adjusted basis. This figure is up 6,262 from the 1,852,483 employed in February 2010, but down 15,888 from the 1,874,633 employed in March 2009.

The monthly estimate of the number of unemployed Kentuckians for March 2010 was 223,681, down 2,415 from the 226,096 Kentuckians unemployed in February 2010, but up 13,257 from the 210,424 unemployed in March 2009.

The monthly estimate of the number of Kentuckians in the civilian labor force for March 2010 was 2,082,426. This figure is up 3,847 from the 2,078,579 recorded in February 2010, but down 2,631 from the 2,085,057 recorded in March 2009.

Civilian labor force statistics include non-military workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

Learn more about the Office of Employment and Training at www.workforce.ky.gov.